Comments from Iceland concerning areas of Convergence identified in document SCT/35/4

POSSIBLE AREA OF CONVERGENCE No. 1
NOTION OF A COUNTRY NAME

In Iceland, a country name is considered to cover, at least for the purposes of examination, the official or formal name of the State, the name that is in common use, translation and transliteration of that name, the short name of the State, as well as use of the name in abbreviated form and as an adjective.

According to Article 13(1) of the Icelandic Trademark Act No. 45/1997 (TMA) it is a condition for registration that a trademark be suitable for distinguishing the goods and services of the proprietor from those of other parties. A mark which indicates exclusively, or with only minor alterations or additions, the type of product or service, condition, quantity, use, price, origin or when it was produced or the service provided, shall not be deemed to possess sufficiently distinctive characteristics. The same shall apply to a sign or word combination which is common in trade or is used in everyday speech. In order to determine whether a mark has sufficiently distinctive characteristics all circumstances must be considered, in particular how long and to what extent the mark has been in use.

Further, according to Article 14(1)(2) TMA a trademark may not be registered if the mark is liable to cause confusion, for instance, as to the type of product, condition or origin.

For a country name to be registered as a trademark, or the same versions or abbreviations as outlined in possible Area of Convergence 1, the mark must fulfil the requirements set out in Article 13(1) TMA like all other marks, i.e. the mark must be suitable for distinguishing the goods and services of the proprietor from those of other parties. Further, the mark may not be registered if liable to cause confusion as to the origin, i.e. cannot be possibly liable to be deceptive, misleading or false, cf. Article 14(1)(2) TMA.

According to established practice of the Icelandic Patent Office (IPO), trademarks consisting solely of a country name are not registered as wordmarks. Such marks are rejected on the grounds described above. Marks which contain a country name can, however, be registered if the overall impression is considered distinctive and not deceptive for the goods/services in question. According to Article 15(1) TMA, a trademark registration does not cover elements of a mark which cannot be registered separately.

Following are examples of trademarks containing country names that have either been registered or rejected:

Official or formal name of the State

- The IPO registered the mark International Registration No. 1273454 for goods and services in classes 16, 38 and 39 on the grounds that the mark was registered in France.
Translation of a country name

- The IPO registered the mark Grænland, Árstíðadeild, Icelandic registration No. 1/2015, for goods and services in classes 1, 4, 7, 8, 11, 20, 22, 26, 28, 31 and 44. Grænland is the Icelandic translation of the country name Greenland. The word Árstíðadeild was considered non-descriptive.

Use of a country name in abbreviated form

- The IPO refused registration of the mark International Registration No. 630158, for goods in classes 18 and 25 on the grounds that the mark as a whole, i.e. the words US, the stars and the stripes in the mark that indicated the American flag, also considering the goods in question in classes 18 and 25, were likely to make the consumers believe that the goods originated from USA meanwhile the applicant was from the Netherlands, cf. Article 14(1)(2) TMA. The Board of Appeal for Industrial Property Rights later confirmed IPO's decision.

- U.S. MAIL, wordmark, International Registration No. 1157369, was refused registration for services in class 39, cf. Article 13(1) TMA.

Use of a country name as an adjective

- The IPO refused registration of the wordmark Icelandic, application No. 1634/2014, for goods in classes 29, 31, 35, 39 and 40, as the mark was considered to indicate the origin of the goods and services in question, and therefore lacks distinctive character, cf. Article 13(1) TMA. The proprietor appealed the IPO’s decision to the Board of Appeal for Industrial Property Rights where the case is still being handled.

- The IPO registered the trademarks International Registration No. 1166518 and International Registration No. 1165457, after a limitation on the claimed goods, which stated that all the goods were from Morocco.

POSSIBLE AREA OF CONVERGENCE No. 2
NON-REGISTRABLE IF CONSIDERED DESCRIPTIVE

The same applies to applications in Iceland containing country names as is outlined in item No. 2 of the above referenced document. Marks consisting solely of a country name in any of the versions described under item 1 are refused if considered descriptive for the goods and/or services in question.
In Iceland a trademark, which consists solely of a country name, is refused where the use of that name is either descriptive or deceptive of the origin of the goods or services. The legal basis for the evaluation are Articles 13(1) and 14(1)(2) of the Icelandic Trademark Act No. 45/1997 (TMA). The notion of a country name is the same as is outlined in Possible Area of Convergence No. 1, i.e. the official or formal name of the State, the name that is in common use, translation and transliteration of that name, the short name of the State as well as use of the name in an abbreviated form and as an adjective.

Following are examples of trademarks that have been considered descriptive:

- The IPO refused registration of the wordmark Icelandic, application No. 1634/2014, for goods in classes 29, 31, 35, 39 and 40, as the mark was considered to indicate the origin of the goods and services in question, and therefore lacks distinctive character, cf. Article 13(1) TMA. The proprietor appealed the IPO’s decision to the Board of Appeal for Industrial Property Rights where the case is still being handled.

- U.S. MAIL, wordmark, International Registration No. 1157369, was refused registration for services in class 39, cf. Article 13(1) TMA.

The case law in this matter is, however, not extensive in Iceland and only a few applications have been filed which consist solely of a country name. For example, applications have been filed for UNITED STATES (wordmark), JAMAICA (wordmark) and ENGLAND (wordmark). They were all refused registration.

**POSSIBLE AREA OF CONVERGENCE No. 3**

**NON-REGISTRABLE IF CONSIDERED MISLEADING, DECEPTIVE OR FALSE**

At least for the purposes of examination, trademarks consisting of or containing a country name should be refused where the use of that name renders the mark as a whole misleading, deceptive or false in relation to the origin of the goods or services.

Article 14(1)(2) of the Icelandic Trademark Act No. 45/1997 (TMA) stipulates *inter alia* that a trade mark may not be registered if the mark is liable to cause confusion, for instance, as to the origin of goods and/or services. In this regard, the Icelandic Patent Office (IPO) does also recognize known abbreviations of country names and other versions outlined in possible area of convergence No. 1, as possibly liable to be deceptive, misleading or false.

Following are examples of trademarks that have been considered misleading, deceptive or false:

- The IPO has refused a few applications (word or word and device marks) containing JAMAICA on the basis that the marks were liable to deceive consumers as to the origin of the goods in question. Applicants were i.e. from Germany, Spain and Croatia while the marks indicated that the goods and/or services were from Jamaica.

- The IPO refused registration of the mark **US BASIC** International Registration No. 630158, for goods in classes 18 and 25 on the grounds that the mark as a whole, i.e. the words US, the stars and the stripes in the mark that indicated the American flag, also considering the goods in question in classes 18 and 25, were likely to make the consumers believe that the goods originated from USA meanwhile the applicant was from the Netherlands, cf. Article 14(2) TMA. The Board of Appeal for Industrial Property Rights later confirmed IPO’s decision.
The IPO registered the mark International Registration No. 1273454 for goods and services in classes 16, 38 and 39 on the grounds that the mark was registered in France.

The IPO registered the trademarks International Registration No. 1166518 and International Registration No. 1165457, after a limitation on the claimed goods, which stated that all the goods originated from Morocco.

Article 42 TMA also concerns this subject, however this can only apply once a trademark has been registered. The Article states that should the use of a trademark be considered deceptive, after it has been transferred or a license to use it has been notified, the party concerned may be prohibited by verdict of a Court from using the mark in its existing form. The same applies in other cases where a trademark is deceptive, its proprietor uses it in a deceptive manner, or another party does so with his consent. The Patent Office, or anyone else with interests at stake, may initiate proceedings in accordance with this Article.

This Article has not been argued before Courts in Iceland and is therefore unprecedented.

**POSSIBLE AREA OF CONVERGENCE No. 4**

**CONSIDERATION OF OTHER ELEMENTS OF THE MARK**

At least for the purposes of examination, trademarks consisting of or containing a country name, among other elements, should be refused where the use of that name renders the mark, as a whole non-distinctive, misleading, deceptive or false in relation to the origin of the goods or services.

According to established practice of the Icelandic Patent Office (IPO), trademarks consisting solely of a country name are not registered as wordmarks. Such marks are rejected on the grounds described under possible areas of Convergence No. 1-3 above. Marks which contain among other elements a country name can, however, be registered if the overall impression is considered distinctive and not deceptive for the goods and/or services in question. According to Article 15(1) of the Icelandic Trademark Act No. 45/1997 (TMA), a trademark registration does not cover elements of a mark which cannot be registered separately.

For a trademark, containing a country name among other elements, to be registered, the mark must fulfil the requirements set out in Article 13(1) TMA, i.e. the mark must be suitable for distinguishing the goods and services of the proprietor from those of other parties. Furthermore, the mark may not be registered if it is liable to cause confusion as to the origin of the goods and/or services, i.e. cannot be possibly liable to be deceptive, misleading or false, cf. Article 14(1)(2) TMA.
Following are examples of trademarks, containing country names among other elements, that have either been registered or rejected:

- The IPO refused registration of the mark international registration no. 630158, for goods in classes 18 and 25 on the grounds, that the mark as a whole, i.e. the words US, the stars and the stripes in the mark that indicated the American flag, also considering the goods in question in classes 18 and 25, were likely to make the consumers believe that the goods originated from USA meanwhile the applicant was from the Netherlands, cf. Article 14(2) of the Icelandic Trademark Act. The board of appeal for Industrial Property Rights later confirmed IPO’s decision.

- The IPO registered the trademarks International Registration No. 1166518 and International Registration No. 1165457, after a limitation on the claimed goods, which stated that all the goods originated from Morocco.

- The owner of the International Registration No. 1273454, is Spanish. The IPO registered the mark for goods and services in classes 16, 38 and 39 on the ground that the mark was registered in France.

- The IPO registered the trademark Icelandic registration No. 341/1972 for goods in class 33. The Office considered the word MATEUS to possess sufficient distinctive characteristics, plus the owner is from Portugal.

- The IPO registered the trademark International Registration No. 992758, for goods in class 3. The Office considered the words la prairie to possess sufficient distinctive characteristics, plus the owner is from Switzerland.
Icelandic Trademark Legislation provides for both opposition and invalidation procedures (administrative or courts). The grounds for either of the two are the same as grounds for refusal and cover the grounds described in possible Areas of Convergence No. 2, 3 and 4 of the above referenced document.

**Opposition**
Iceland has a system of post-registration opposition with an opposition period of two months from the date of publication of the registration in the IPO Gazette. The legal framework is outlined in Article 22 of the Icelandic Trademark Act No. 45/1997 (TMA) and Rule 11 of Trademark Regulation No. 310/1997 (TR). A decision of the Icelandic Patent Office (IPO) in an opposition case can be appealed to a Board of Appeal for Industrial Intellectual Property Rights and furthermore, to courts.

Anyone can oppose a registration, either of a trademark or a collective mark. The grounds for opposition are not specifically listed in the Trademark Act and can thus be filed either on absolute or relative grounds outlined in Article 13 and 14 of the TMA. These grounds may be supported by reference to other provisions of the Act, e.g. Article 2 (the mark is not a visible sign or the mark exclusively shows a shape which is dictated by the goods themselves or necessary due to the technical role of the product etc.); Article 4 (well known trademarks); Article 7 (earlier right takes priority over a later right) etc.

Decisions of the IPO and those of the BoA are published on the website [www.els.is](http://www.els.is). To this date no oppositions as to the registration of Country names have been filed, but as outlined in replies to Areas of Convergence No. 2, 3 and 4, marks consisting solely of a Country name are deemed non-registrable.

**Invalidation**
Anyone having legitimate interests at stake may request invalidation of a registration. The legal framework is outlined in Article 30. a., cf. Articles 25 and 28 TMA and Rule 13 TR. Invalidation requests may be filed at any time apart from requests based on non-use of a mark, which may only be filed when five years have passed from the registration of the mark.

The grounds for invalidation are listed in Article 28 TMA and a mark can be invalidated if it was registered contrary to the provisions of the Trademark Act (absolute or relative grounds), has not been used in accordance with the provisions of Article 25 TMA, has become generic or is used in a manner which could mislead persons as to the type, condition or origin of goods and/or services.

Decisions of the IPO can be appealed to the BoA or to courts. All decisions are published on the IPO website. No decisions to this date relate to the invalidation of Country name registrations.
POSSIBLE AREA OF CONVERGENCE No. 6
USE AS A MARK

Iceland agrees that appropriate legal means should be provided for interested parties to prevent the use of country names if such use is likely to deceive the public in a manner outlined in the above referenced document.

The Icelandic Trademark Act (TMA) does not contain a specific provision in this respect with regard to Country names. Article 40 TMA states, however, that if use of a mark is considered deceptive after a transfer or a licence to use it has been notified, the party concerned may be prohibited by a Court verdict to use it in existing form. The same applies in other cases where a mark is deceptive, the proprietor uses it in a deceptive manner or another party does so with his consent. The IPO or anyone with interests at stake may initiate proceedings in accordance with Article 40 TMA.

Furthermore, it is possible to file a complaint, i.e. based on the grounds outlined in possible Area of Convergence No. 6, with the Icelandic Consumer Agency based on Act No. 57/2005 on the surveillance of unfair business practices and market transparency. According to the provisions of the Act, commercial practices are considered to be misleading if these are likely to deceive consumers or are of such a nature that consumers are granted incorrect information for the purpose of influencing their decision concerning trade.

Comparative advertising is with regard to designation of origin permitted when the advertising relates to products with the same designation. Otherwise, advertisements, general or comparative or other commercial practices which are considered deceiving or false are prohibited.